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STATEMENT UNDER 37 CFR 3.73(b)Applicant/Patent Owner: Lockheed Martin Energy Systems, Inc.Application No./Patent No.: 6,118,124 Filed/Issue Date: September 12, 2000Entitled: Electromagnetic and Nuclear Radiation Detector Using Micromechanical SensorsUT-Battelle, LLC, a Corporation

(Name of Assignee)

(Type of Assignee, e.g., corporation, partnership, university, government agency, etc.)

states that it is:

1. ☒ the assignee of the entire right, title, and interest; or
2. ☐ an assignee of less than the entire right, title and interest.
The extent (by percentage) of its ownership interest is _____ %

in the patent application/patent identified above by virtue of either:

- A. ☒ An assignment from the inventor(s) of the patent application/patent identified above. The assignment was recorded in the United States Patent and Trademark Office at Reel 007954, Frame 0035, or for which a copy thereof is attached.

OR

- B. ☐ A chain of title from the inventor(s), of the patent application/patent identified above, to the current assignee as shown below:

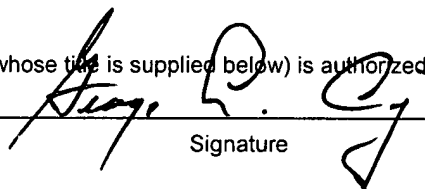
1. From: _____ To: _____
The document was recorded in the United States Patent and Trademark Office at Reel _____, Frame _____, or for which a copy thereof is attached.
2. From: _____ To: _____
The document was recorded in the United States Patent and Trademark Office at Reel _____, Frame _____, or for which a copy thereof is attached.
3. From: _____ To: _____
The document was recorded in the United States Patent and Trademark Office at Reel _____, Frame _____, or for which a copy thereof is attached.

☐ Additional documents in the chain of title are listed on a supplemental sheet.

- ☒ Copies of assignments or other documents in the chain of title are attached.

[NOTE: A separate copy (i.e., a true copy of the original assignment document(s)) must be submitted to Assignment Division in accordance with 37 CFR Part 3, if the assignment is to be recorded in the records of the USPTO. See MPEP 302.08]

The undersigned (whose ~~title~~ is supplied below) is authorized to act on behalf of the assignee.


Signature

George L. Craig

Printed or Typed Name

11-17-05
Date

865.576.6883

Telephone Number

Associate General Counsel

Title

This collection of information is required by 37 CFR 3.73(b). The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.11 and 1.14. This collection is estimated to take 12 minutes to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, VA 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

If you need assistance in completing the form, call 1-800-PTO-9199 and select option 2.

CERTIFICATION OF A PHOTOCOPY

State of Tennessee

County of Roane

On this 17th day of November, 2005, I George L. Craig, certify that the preceding document is a true, exact, complete and unaltered photocopy made of Assignment of Subject Inventions, U.S. and Foreign Patent Applications and Issued Foreign Patents of Subject Inventions, Assignment between Lockheed Martin Energy Systems, Inc. and Lockheed Martin Energy Research Corporation, and Agreement for Transfer of Responsibilities.

George L. Craig
Affiant Signature

Subscribed and sworn before me this 17th day of November, 2005, by George L. Craig.



Kirk A. Wilson
Notary Public

My Commission Expires

MY COMMISSION EXPIRES
MARCH 14, 2009

(Seal)

8/26/96

1604X



OFFICE OF GENERAL COUNSEL
INTELLECTUAL PROPERTY

AUGUST 18, 1996

PTAS

PRESTON H. SMIRMAN
EDWARD A. PENNINGTON
POST OFFICE BOX 2009
701 SCARBORO ROAD
OAK RIDGE, TENNESSEE 37831-8243

UNITED STATES DEPARTMENT OF COMMERCE
Patent and Trademark Office
ASSISTANT SECRETARY AND COMMISSIONER
OF PATENTS AND TRADEMARKS
Washington, D.C. 20231



100201886A

UNITED STATES PATENT AND TRADEMARK OFFICE
NOTICE OF RECORDATION OF ASSIGNMENT DOCUMENT

THE ENCLOSED DOCUMENT HAS BEEN RECORDED BY THE ASSIGNMENT DIVISION OF THE U.S. PATENT AND TRADEMARK OFFICE. A COMPLETE MICROFILM COPY IS AVAILABLE AT THE ASSIGNMENT SEARCH ROOM ON THE REEL AND FRAME NUMBER REFERENCED BELOW.

PLEASE REVIEW ALL INFORMATION CONTAINED ON THIS NOTICE. THE INFORMATION CONTAINED ON THIS RECORDATION NOTICE REFLECTS THE DATA PRESENT IN THE PATENT AND TRADEMARK ASSIGNMENT SYSTEM. IF YOU SHOULD FIND ANY ERRORS OR HAVE QUESTIONS CONCERNING THIS NOTICE, YOU MAY CONTACT THE EMPLOYEE WHOSE NAME APPEARS ON THIS NOTICE AT 703-308-9723. PLEASE SEND REQUEST FOR CORRECTION TO: U.S. PATENT AND TRADEMARK OFFICE, ASSIGNMENT DIVISION, BOX ASSIGNMENTS, NORTH TOWER BUILDING, SUITE 10C35, WASHINGTON, D.C. 20231.

RECORDATION DATE: 04/30/1996

REEL/FRAME: 7954/0035
NUMBER OF PAGES: 5

BRIEF: ASSIGNMENT OF ASSIGNOR'S INTEREST (SEE DOCUMENT FOR DETAILS).

ASSIGNOR:

THUNDAT, THOMAS G.

DOC DATE: 04/04/1996

ASSIGNOR:

WARMACK, ROBERT J.

DOC DATE: 04/04/1996

ASSIGNOR:

WACHTER, ERIC A.

DOC DATE: 04/04/1996

ASSIGNEE:

LOCKHEED MARTIN ENERGY SYSTEMS, INC.
701 SCARBORO ROAD
POST OFFICE BOX, 2009
OAK RIDGE, TENNESSEE 37831-8243

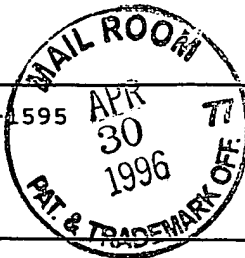
SERIAL NUMBER: 08588484
PATENT NUMBER:

FILING DATE: 01/18/1996
ISSUE DATE:

7954/0035 PAGE 2

LAWAN FLETCHER, EXAMINER
ASSIGNMENT DIVISION
OFFICE OF PUBLIC RECORDS

Form PTO-1595
1-31-92



05-30-1996



100201886

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

A/D

To the Honorable Commissioner of Patents and Trademarks:
Please record the attached original documents of copy thereof.

1. Name of conveying party(ies):

Thomas G. Thundat
Robert J. Warmack
Eric A. Wachter

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

3. Nature of conveyance:

☒ Assignment ☐ Merger
☐ Security Agreement ☐ Change of Name
☐ Other

Execution Date: April 4, 1996

2. Name and address of receiving party(ies):

Name: LOCKHEED MARTIN ENERGY SYSTEMS, INC.

Internal Address: Post Office Box 2009, Oak Ridge, Tennessee 37831-8243

Street Address: 701 Scarboro Road

City: Oak Ridge ST: TN Zip: 37831-8243

Additional name(s) & address(es) attached ☐ Yes ☒ No

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: _____

A. Patent Application No. (s)
08/588,484

B. Patent No.(s)

69682 U.S. PTO



05/29/96

Additional numbers attached? ☐ Yes ☒ No

5. Name and address of party to whom corresponding document should be mailed:

Name: Preston H. Smirman
Internal Address: Post Office Box 2009 Oak Ridge, Tennessee 37831-8243
Street Address: 701 Scarboro Road
City: Oak Ridge ST: TN Zip: 37831-8243

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3.41) \$ 40.00

☐ Enclosed

☒ Authorized to be charged to deposit account

8. Deposit Account number: 13-4503

(Attach duplicate copy of this page if paying by deposit account)

P 30016 05/02/96 08588484

13-4503 030 581
DO NOT USE THIS SPACE 40.00CH

9. Statement and signature.

To the best of my knowledge and belief, the foregoing instrument is true and correct and any attached copy is a true copy of the original document.

Edward A. Pennington

Name of Person Signing

Signature

Date

Total number of pages comprising cover sheet: 1

MRD 4-30-96

ASSIGNMENT

WHEREAS, WE, the below-named inventors whose residences and post offices are as stated below, have invented certain new and useful improvements in

**ELECTROMAGNETIC AND NUCLEAR RADIATION DETECTOR
USING MICROMECHANICAL SENSORS**

for which an application for United States Letters Patent was executed by us on even date herewith, and

WHEREAS, LOCKHEED MARTIN ENERGY SYSTEMS, INC., a corporation of the State of Delaware, having an office at Scarboro & Bear Creek Rd., P.O. Box 2009, Oak Ridge, Tennessee 37831-8014, hereinafter called the ASSIGNEE, is desirous of acquiring the entire right, title and interest in the application and invention and to any Letters Patent that may be granted therefor in the United States of America and in any and all foreign countries.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, we hereby assign to ASSIGNEE the entire right, title and interest in the application and the invention, to all rights of priority thereto pursuant to the International Convention for the Protection of Industrial Property, and in any Letters Patent on the invention that may be granted in the United States of America and in any and all foreign countries, including any and all Letters Patent that are divisions, reissues, continuations, substitutions or extensions of any Letters Patent or applications therefor on the invention.

We hereby authorize and request the Commissioner of the United States Patent and Trademark Office and the officials of any and all foreign countries to issue any and all of said Letters Patent, when granted, to the ASSIGNEE.

Further, we hereby agree to communicate to said ASSIGNEE or its representatives any facts known to us respecting said invention, to testify in any legal proceedings, sign all lawful papers, execute all divisional, continuation, substitution, renewal and reissue applications, to execute all necessary assignment papers to cause any and all of said Letters Patent to be issued to said ASSIGNEE, and to make all rightful oaths and generally do everything possible to aid said ASSIGNEE and its representatives to obtain and enforce proper protection for said invention in the United States of America and in any and all foreign countries.

We further agree that the terms, covenants and conditions of this assignment shall inure to the benefit of ASSIGNEE, its successors, assigns, and legal representatives, and shall be binding on us, our heirs, legal representatives, and assigns.

Full name of first inventor: Thomas G. Thundat

Signature: Thomas G. Thundat Date: 4/9/96

Residence: Knoxville, Tennessee

Post Office Address: 616 Plainfield Road, Knoxville, Tennessee 37923

Citizenship: United States of America

State of Tennessee)
County of Anderson)

On this 4th day of April, 1996, before me, a Notary Public in and for the County and State aforesaid, appeared Thomas G. Thundat, to me personally known to be the same person whose name is subscribed to the foregoing instrument, and acknowledged that he executed said instrument as his free and voluntary act and for the uses and purposes therein expressed.

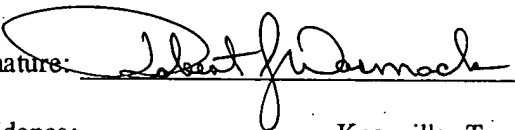
WITNESS my hand and seal the day and year last above given.

Judith K. Hickman
Notary Public

SEAL

My Commission Expires April 4, 1999.

Full name of second inventor: Robert J. Warmack

Signature:  Date: 4/4/96

Residence: Knoxville, Tennessee

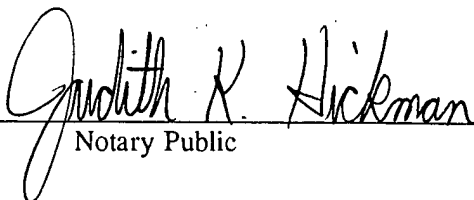
Post Office Address: 509 Sundown Road, Knoxville, Tennessee 37922

Citizenship: United States of America

State of Tennessee)
County of Anderson)

On this 4th day of April, 1996, before me, a Notary Public in and for the County and State aforesaid, appeared Robert J. Warmack, to me personally known to be the same person whose name is subscribed to the foregoing instrument, and acknowledged that he executed said instrument as his free and voluntary act and for the uses and purposes therein expressed.

WITNESS my hand and seal the day and year last above given.


Notary Public

SEAL

My Commission Expires April 4, 1999.

Full name of third inventor: Eric A. Wachter

Signature: 

Date: 4 April 96

Residence: Oak Ridge, Tennessee

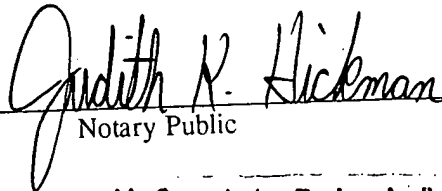
Post Office Address: 138 Bay Path Drive, Oak Ridge, Tennessee 37830

Citizenship: United States of America

State of Tennessee)
County of Anderson)

On this 4th day of April, 1996, before me, a Notary Public in and for the County and State aforesaid, appeared Eric A. Wachter, to me personally known to be the same person whose name is subscribed to the foregoing instrument, and acknowledged that he executed said instrument as his free and voluntary act and for the uses and purposes therein expressed.

WITNESS my hand and seal the day and year last above given.


Notary Public

My Commission Expires April 4, 1996

SEAL

ASSIGNMENT

WHEREAS, LOCKHEED MARTIN ENERGY SYSTEMS, INC., a corporation of the State of Delaware, having an office at 701 Scarboro Road, Post Office Box 2009, Oak Ridge, Tennessee 37831-8243 (hereinafter referred to as "ENERGY SYSTEMS"), name changed from Martin Marietta Energy Systems, Inc., has acquired by Assignment the undivided right, title and interest of Subject Inventions, patent applications of Subject Inventions and patents of Subject Inventions of sole or joint inventor employees of OAK RIDGE NATIONAL LABORATORY (hereinafter referred to as "ORNL") managed by ENERGY SYSTEMS at the time said inventor employees conceived or reduced to practice said Subject Inventions under Prime Contract No. DE-AC05-84OR21400;

WHEREAS, ENERGY SYSTEMS has been replaced by a successor contractor, LOCKHEED MARTIN ENERGY RESEARCH CORPORATION, as manager of ORNL and is obligated under its aforesaid contract to transfer title, as one package, to the extent ENERGY SYSTEMS has retained title, in all said Subject Inventions, said patent applications of said Subject Inventions and said patents of said Subject Inventions to LOCKHEED MARTIN ENERGY RESEARCH CORPORATION;

WHEREAS, ENERGY SYSTEMS, pursuant to said aforementioned Prime Contract, wishes to assign to LOCKHEED MARTIN ENERGY RESEARCH CORPORATION, a corporation of the State of Delaware, having an office at 701 Scarboro Road, Oak Ridge, Tennessee 37831-8243 (hereinafter "ASSIGNEE") the aforesaid undivided right, title and interest to said Subject Inventions, said patent applications of said Subject Inventions and said patents of said Subject Inventions; and

NOW, THEREFORE, in accordance with Contract No. DE-AC5-84OR21400 between ENERGY SYSTEMS and the U.S. Department of Energy, ENERGY SYSTEMS hereby assigns to ASSIGNEE said undivided right, title and interest in said Subject Inventions, said patent applications of said Subject Inventions and said patents of said Subject Inventions and to all rights of priority thereto pursuant to the International Convention for the Protection of Industrial Property, and in any Letters Patent on said Subject Inventions and said patent application to said Subject Inventions that may be granted in the United States of America and in any and all foreign countries, including any and all Letters Patent that are divisions, reissues, continuations, substitutions, or extensions of any Letters Patent or applications therefor on said Subject Inventions and said patent applications of said Subject Inventions

Further, ENERGY SYSTEMS hereby agrees to communicate to said ASSIGNEE or its representatives any facts known to it respecting said Subject Inventions, said patent applications of said Subject Inventions and said patents of said Subject Inventions to testify in any legal proceedings, sign all lawful papers, execute all divisional, continuation,

substitution, renewal, and reissue applications, to execute all necessary assignment papers to cause any and all of said Letters Patent to be issued to said ASSIGNEE, and to make all rightful oaths and generally do everything possible to aid said ASSIGNEE and their representatives to obtain and enforce proper protection for said Subject Inventions, said patent applications of said Subject Inventions and said patents of said Subject Inventions in the United States of America and in any and all foreign countries.

ENERGY SYSTEMS further agrees that the terms, covenants and conditions of this Assignment shall inure to the benefit of ASSIGNEE, its successors, assigns, and legal representatives, and shall be binding on it, its heirs, legal representatives, assigns, and successors in interest.

For: LOCKHEED MARTIN ENERGY SYSTEMS, INC.

Date: 14 Feb '97 By: George L. Craig
George L. Craig, General Patent Counsel

State of Tennessee

County of Anderson

On this 14th day of February, 1997, before me, a Notary Public in and for the County and State aforesaid, appeared George L. Craig, to me personally known to be the same person whose name is subscribed to the foregoing instrument, and acknowledged that he executed said instrument as his free and voluntary act and for the uses and purposes therein expressed.

WITNESS my hand and seal the day and year last above given.

Ivan L. Emerson
Notary Public

My commission expires Jan. 31, 1998.

SEAL

**ASSIGNMENT OF SUBJECT INVENTIONS, U.S. AND FOREIGN PATENT APPLICATIONS
AND ISSUED FOREIGN PATENTS OF SUBJECT INVENTIONS**

WHEREAS, LOCKHEED MARTIN ENERGY RESEARCH CORPORATION, a corporation of the State of Delaware, having an office at Post Office Box 2008, Oak Ridge, Tennessee 37831-8243 (hereinafter referred to as "LMER"); has acquired by assignment from employees of LMER and/or Lockheed Martin Energy Systems, Inc. (hereinafter referred to as "LMES") the undivided right, title, and interest of Subject Inventions, United States and foreign patent applications of Subject Inventions and United States and foreign patents of Subject Inventions of sole or joint inventor employees of OAK RIDGE NATIONAL LABORATORY (hereinafter referred to as "ORNL") managed by LMER or LMES at the time said inventor employees conceived or reduced to practice said Subject Inventions under Prime Contract Nos. DE-AC05-96OR22464 and/or DE-AC05-84OR21400 with the United States Department of Energy;

WHEREAS, LMER has been replaced effective April 1, 2000 by a successor contractor, UT-BATTELLE, LLC (hereinafter "UT-Battelle"), a limited liability company organized under the laws of the State of Tennessee, having an office at 111-B Union Valley Road, Oak Ridge, Tennessee 37831-6498, which shall manage ORNL under its Prime Contract No. DE-AC05-00OR22725 with the United States Department of Energy;

WHEREAS, LMER is obligated under its aforesaid Prime Contract to transfer title to UT-Battelle, as one package, to the extent LMER has retained title, in all said Subject Inventions, said U.S. and foreign patent applications of said Subject Inventions and all said U.S. and foreign patents of said Subject Inventions, all of the foregoing listed in the attached Appendix A (U.S. Subject Inventions, Patent Applications and Issued Patents) and Appendix B (Foreign Patent Applications and Issued Patents).

WHEREAS, LMER, pursuant to its said aforementioned Prime Contract, wishes to assign to UT-Battelle (hereinafter "ASSIGNEE") the aforesaid undivided right, title and interest of said Subject Inventions, said U.S. and foreign patent applications of said Subject Inventions and said U.S. and foreign patents of said Subject Inventions; and

NOW, THEREFORE, in accordance with Prime Contract No. DE-AC05-96OR22464 between LMER and the U.S. Department of Energy, LMER hereby assigns to ASSIGNEE said undivided right, title and interest in said Subject Inventions, all rights of priority thereto pursuant to the International Convention for the Protection of Industrial Property, any Letters Patent and/or patent applications on said Subject Inventions that may be granted in the United States of America and in any and all foreign countries, including any and all Letters Patent and/or patent applications that are divisions, reissues, continuations, renewals, substitutions, reexaminations, or extensions of any Letters Patent or applications therefor on said Subject Inventions.

Further, LMER hereby agrees: (1) to communicate to said ASSIGNEE or its representatives any facts known to it respecting said Subject Inventions, said patent applications of said Subject Inventions and said patents of said Subject Inventions; (2) to testify in any legal proceedings, sign all lawful papers, execute all divisional, continuation, substitution, renewal, reexamination, extension and reissue applications therefor; (3) to execute all necessary assignment papers causing any and all of said patent applications to be issued to said ASSIGNEE and any and all of said Letters Patent to be transferred to said ASSIGNEE; and (4) to make all rightful oaths and

generally do everything possible enabling said ASSIGNEE and its representatives to obtain and enforce proper protection for said Subject Inventions, said patent applications of said Subject Inventions and said patents of said Subject Inventions in the United States of America and in any and all foreign countries.

LMER further agrees that the terms, covenants and conditions of this Assignment shall inure to the benefit of ASSIGNEE, its successors, assigns, and legal representatives, and shall be binding on it, its heirs, legal representatives, assigns and successors in interest.

Assignor: LOCKHEED MARTIN ENERGY RESEARCH CORPORATION

By: WMA

Title: President

Date: APRIL 12, 2001

State of NEW JERSEY)

County of CAMDEN)

On this 12 day of APRIL, 2001, before me a Notary Public in and for the County and State aforesaid, appeared W.C. HAIGHT to me personally known to be the same person whose name is subscribed to the foregoing instrument, and acknowledges that he executed said Instrument as his free and voluntary act and for the uses and purposes therein expressed.

WITNESS my hand and seal the day and year last above given.

Barbara A. Spina
Notary Public

My Commission expires: 2/16/05

[SEAL]

BARBARA A. SPINA
Notary Public
State of New Jersey
County of Camden
Commission Expires Feb. 16, 2005

Assignee: UT-BATTELLE, LLC

By: George L. Craig

Title: General Patent Counsel

Date: 4-18-01

State of Tennessee)

County of Anderson)

On this 18th day of April, 2001, before me a Notary Public in and for the County and State aforesaid, appeared George L. Craig to me personally known to be the same person whose name is subscribed to the foregoing instrument, and acknowledges that he executed said Instrument as his free and voluntary act and for the uses and purposes therein expressed.

WITNESS my hand and seal the day and year last above given.

Gare Rowe
Notary Public

My Commission expires: 3-2-02

[SEAL]

AGREEMENT FOR TRANSFER OF RESPONSIBILITIES

Oak Ridge National Laboratory

Between UT-BATTELLE LLC, Lockheed Martin Energy Research Corporation, and the Department of Energy

THIS TRANSFER AGREEMENT (Agreement) is entered into by and between the UNITED STATES OF AMERICA, acting through the United States Department of Energy, Oak Ridge Operations Office (DOE), represented by the undersigned Manager; UT-BATTELLE, LLC, a limited liability company organized under the laws of the State of Tennessee; and Lockheed Martin Energy Research Corporation (LMER), a corporation organized and existing under the laws of the State of Delaware. DOE, UT-BATTELLE, and LMER are referred to in this Agreement collectively as the Parties, and singularly as a Party.

WHEREAS DOE and LMER are parties to Contract No. DE-AC05-96OR22464 (hereinafter referred to as the LMER Contract), pursuant to which LMER has management and operational responsibilities for portions of the Oak Ridge National Laboratory (ORNL) owned by the DOE; and,

WHEREAS the DOE and UT-BATTELLE are parties to Contract No. DE-AC05-00OR22725 (UT-BATTELLE Contract), which provides for UT-BATTELLE to commence its management and operating responsibilities at the ORNL on April 1, 2000; and,

WHEREAS effective at midnight, March 31, 2000, LMER's management and operating responsibilities as described in the LMER Contract expire, and the Parties desire to facilitate an orderly transfer of the documents, agreements, and property referred to in this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and understandings contained herein the Parties agree as follows:

1. PURPOSE

The purpose of this Agreement is to ensure an orderly transfer to UT-BATTELLE of management and operating activities performed by LMER under the LMER Contract along with affected personnel, documents, agreements, and property. Upon transfer of such activities, UT-BATTELLE shall perform its responsibilities in accordance with the terms of the UT-BATTELLE Contract. The Parties agree that this Agreement does not modify their respective rights, responsibilities, obligations, and duties established under either the LMER Contract or the UT-BATTELLE Contract, and in the event of a conflict between the terms of this Agreement and the terms of either the LMER Contract, or the UT-BATTELLE Contract, the terms of such contract shall prevail. To facilitate and provide for effort which may be required to complete closeout, the UT-BATTELLE Contract will be modified to authorize up to 2000 staff hours of support activity to be provided to LMER by the UT-BATTELLE staff, with said support being scheduled on a mutually agreeable basis.

2. DEFINITIONS

The following terms have the corresponding definitions throughout this Agreement unless otherwise specifically defined elsewhere:

- A. "UT-BATTELLE" is UT-BATTELLE, LLC.

- B. "ORNL" is the Oak Ridge National Laboratory.
- C. "LMER" is Lockheed Martin Energy Research Corporation or its successors in interest including LMES or Lockheed Martin Corporation, and its wholly owned subsidiaries.
- D. "LMES" is Lockheed Martin Energy Systems, Inc.
- E. The "Transfer Date" is 12:00 a.m. on April 1, 2000.

3. ASSIGNMENT OF SUBCONTRACTS, PURCHASE ORDERS, AND OTHER AGREEMENTS

DOE hereby directs LMER, and LMER hereby transfers and assigns to UT-BATTELLE, as of the Transfer Date, all of LMER's obligations, rights, title, and interest in and to all contractual agreements, existing as of the Transfer Date, entered into by LMER under the LMER Contract with entities other than the Parties or their affiliates. This assignment includes, but is not limited to, purchase orders, subcontracts, memorandum purchase orders, requests for services, requests for proposals or other solicitations, work for others agreements, cooperative research and development agreements (CRADAs), leases for real or personal property, licenses for use of third party software, confidential or nondisclosure agreements, collective bargaining agreements, and all unexpired warranties. UT-BATTELLE hereby accepts such assignment in accordance with the terms of the UT-BATTELLE Contract. This section 3. does not apply to any contractual agreement for which any of the costs are unallowable under the LMER Contract.

On or before the Transfer Date, LMER shall obtain and deliver to UT-BATTELLE any third party notices or consents required in connection with the assignment of agreements in the above paragraph.

4. ASSIGNMENT AND TRANSFER OF INTELLECTUAL PROPERTY

- A. DOE hereby directs LMER, and LMER hereby transfers and assigns to UT-BATTELLE all rights, title, interest, and obligations relating to intellectual property and intellectual property-related contractual arrangements, as these terms are defined below, effective on the transfer date; and UT-BATTELLE hereby accepts the transfer and assignment of all such rights, title, interest, and obligations.
- B. The intellectual property subject to this transfer and assignment includes all intellectual property that LMER has generated or acquired pursuant to the terms of the LMER Contract, including but not limited to intellectual property that arises under or relates to the work scope of the LMER Contract; and all intellectual property generated or acquired by predecessor contractors that is subject to transfer and assignment to successor contractors by the terms of earlier Management and Operating Contracts relating to ORNL.
- C. For purposes of this provision, "intellectual property" means all forms of intellectual property whatsoever, including but not limited to invention disclosures (whether or not patentable), U.S. and corresponding foreign patent applications and patents, and any registrations, divisions, continuations, continuations-in-part, reissues, reexaminations or extensions of same, lab notebooks, ORNL proprietary information of a technical nature, mask works, software, registered and unregistered copyrights, trademarks, and service marks.
- D. For purposes of this provision, "intellectual property-related contractual arrangements" includes, but is not limited to, cooperative research and development agreements (CRADAs), Work-for-Others (WFO) agreements, inter-company work transfer authorizations (IWTAs), facility user agreements, material transfer agreements, bailment agreements, proprietary information agreements (PIAs) and underlying information disclosed pursuant to such agreements, non-disclosure agreements (NDAs), licenses, option agreements, beta site agreements, and early

access agreements, including all files, records, and other information related to such intellectual property-related contractual arrangements.

5. TRANSFER OF AND ACCESS TO RECORDS, DOCUMENTS AND DATABASES

- A. DOE hereby directs LMER, and LMER hereby transfers and assigns to UT-BATTELLE, effective as of the Transfer Date, the custody of all Documents that are owned by DOE or to which DOE has a right of inspection or copying pursuant to the terms of the LMER Contract, including but not limited to the *OWNERSHIP OF RECORDS* and *ACCOUNTS, RECORDS, AND INSPECTION* clauses, and UT-BATTELLE hereby accepts such assignment.
- B. The Parties agree that the term "documents" as used in paragraph 5.A. shall include but not be limited to all documents and information including writings, drawings, graphs, charts, photographs, microfilm or microfiche, or data compilations/databases, whether stored on main or mini-frame computers, personal computers, file servers on computer networks or any other storage devices, from which information may be obtained or translated if necessary through detection devices or by other means into a reasonably useable form, in the care, custody and control of LMER or its affiliates which were acquired or generated pursuant to the performance of the LMER Contract. The Term "documents" does not include documents or records generated by LMER after March 31, 2000, including personnel files of employees transferring to LMER Contract Close-Out Offices and other Lockheed Martin affiliates, as necessary to support the continuing human resources responsibilities of the LMER Contract Close-Out Offices.
- C. LMER reserves the right to reasonable access to historical operating records which may be needed to close actions that may remain open or be opened subsequent to March 31, 2000. Each party shall provide the other parties access to DOE operating and historical records which are related to or necessary for the effective continuation of any Party's Prime Contract activities or which may be needed to close actions that may remain open or be opened subsequent to March 31, 2000, relating to LMER.
- D. LMER reserves the right to claim privilege for documents that contain LMER confidential, proprietary, attorney work product, or attorney client privileged information, except that any rights of privilege that LMER has in the following Documents are transferred and assigned to DOE and UT-BATTELLE: (1) Documents contained in a Privacy Act system of records maintained for the Government by LMER or LMER affiliates on behalf of LMER, (2) Documents related to litigation or claims, contracts, agreements, or matters transferred to UT-BATTELLE under the terms of this Agreement, or (3) any confidential or proprietary information accepted by LMER under proprietary information agreements or accepted or generated under CRADAs. This privilege is only intended to extend to those types of information that are of a corporate confidential nature and not otherwise related to those matters or operations transferred under the terms of this Agreement to UT-BATTELLE. If UT-BATTELLE and LMER have a common or joint interest in the prosecution or defense of any claim, they agree to execute appropriate documentation to share otherwise-privileged information without breaching any attorney-client, attorney work product, or other privilege.
- E. DOE hereby directs UT-BATTELLE, and UT-BATTELLE agrees that it will provide direct access to any record (as described in 5.A, 5.B, and 5.C, above) under its control related to any matter, or thing, as soon as possible after request, and shall provide direct access to its employees and records, for interviews, depositions, hearings, etc., during regular business hours, on reasonable notice and request. Payments for the cost of copying records will be determined on a case-by-case basis by the Parties.

- F. DOE hereby directs LMER, and LMER and its affiliates agree that it will provide direct access to any record (as described in 5.D, above) retained under its control related to any matter, or thing, except as specifically exempted from access in this Agreement, as soon as possible after request, and shall provide direct access to its employees and records, for interviews, depositions, hearings, etc., during regular business hours, on reasonable notice and request. Payments for the cost of copying records will be determined on a case-by-case basis by the Parties.

6. TRANSFER OF CLASSIFIED DOCUMENTS

DOE hereby directs LMER, and on the Transfer Date, LMER shall transfer the care, custody, and control of all classified documents to UT-BATTELLE, and UT-BATTELLE shall accept the care, custody, and control of said classified documents in accordance with the terms and conditions of the UT-BATTELLE Contract.

7. NUCLEAR MATERIALS, PRECIOUS METALS, AND CONTROLLED SUBSTANCES TRANSFER

DOE hereby directs LMER, and on the Transfer Date, LMER shall transfer the care, custody, and control of all nuclear materials, precious metals, and controlled substances to UT-BATTELLE, and UT-BATTELLE shall accept the care, custody and control of said nuclear materials, precious metals, and controlled substances in accordance with the terms and conditions of the UT-BATTELLE Contract.

8. FINANCIAL ADMINISTRATION

Note: This section applies to all financial records and administration for LMER as M&O contractor for DOE, but does not apply to any contractual agreement for which any of the costs are unallowable under the LMER Contract, or any LMER corporate records, assets, or transactions. However, this section does apply to those contracts or commitments of unallowable cost related to the recruitment or relocation of personnel for the Spallation Neutron Source Project.

A. Payroll

- (i) On behalf of LMER, UT-BATTELLE shall perform certain payroll services, including payment of wages, salaries and benefits for LMER employees who become employed by UT-BATTELLE.
 - (a) The final pay date for LMER salaried exempt employees is March 24, 2000, for salaries earned through March 31, 2000. The final weekly pay date for LMER nonexempt salaried and bargaining unit employees is April 6, 2000, for work through April 2, 2000. UT-BATTELLE will process such payrolls on behalf of LMER including adjustments and final payments such as vacation pay and severance pay. Any final pay adjustment for nontransitioning employees will be processed by UT-BATTELLE payroll until April 30, 2000. Exceptions will be handled on a case by case basis. LMER shall directly reimburse the respective contract bank accounts for any compensation to LMER employees which is unallowable within 30 days of payment of said costs by UT-BATTELLE.
 - (b) UT-BATTELLE shall comply with all authorized payroll deductions such as savings bonds and other withholdings, and employer contributions under applicable LMER benefit plans for the purpose of making employee deductions and/or company contributions to such plans for the final pay period.
 - (c) UT-BATTELLE shall pay all payroll taxes due for the payroll period in effect as of the Transfer Date for which LMER has not made payment.

- (ii) (a) Internal Revenue Service Procedure 96-60 provides for standard and alternate procedures for filing Form W-2 under a "successor-predecessor" relationship. LMER and UT-BATTELLE agree to comply with Internal Revenue Procedure 96-60, Section 5, "Standard Procedure". The standard procedure requires that the predecessor employer (i.e., LMER) file all Forms 941, Form W-2, and related tax filings until final wage and salary payments cease.
- (b) As stated by IRS Revenue Procedure 96-60, Standard Procedure, LMER (or its designee) will be responsible for completing and filing various Federal and State tax forms (as applicable) for wages paid and taxes withheld for LMER employees until the time payments cease in 2nd Quarter CY 2000. This includes payments made to all LMER employees through the date of transfer as specified in item 8. A (i)(a) above and final payments to LMER employees terminating on or before March 31, 2000. LMER will be responsible for at least the following Calendar Year (CY) 2000 tax forms:
- Form 941 Quarterly tax reports;
 - CY 2000 Form 940;
 - CY 2000 Forms W-2 and related transmittals;
 - Forms 1099 MISC and 1099R for deceased employees and related 1096 transmittals;
 - CY 2000 Social Security Administration (SSA) Magnetic Media, and
 - All related state and local reports and tapes.
- UT-BATTELLE will prepare and provide to LMER (or its designee) the above forms and tapes for approval and submission by the required tax deadlines.
- (c) UT-BATTELLE agrees to provide LMER with such information and documentation as needed to comply with Revenue Procedure 96-60, and further agrees to cooperate with LMER in the performance of its duties pursuant to this section 8.A (ii)
- (iii) To the extent permitted under applicable Federal tax law, UT-BATTELLE, as successor, will recognize employee FICA earnings and deductions and employer FICA, Federal Unemployment Tax, and State Unemployment Tax payments made by LMER for LMER employees who become employed by UT-BATTELLE at the time of contract transition in determining FICA taxable earnings, FICA withholding, and FICA/FUTA/SUTA payments for the balance of the calendar year.

B. Travel

- (i) UT-BATTELLE shall be responsible for the processing and payment for all travel (including local travel) expenses for LMER for employees who commence official travel before midnight, March 31, 2000, and who will become employees of UT-BATTELLE on the Transfer Date, upon the same terms that were in effect when the travel commenced. For those former LMER employees who become employees of UT-BATTELLE, whose travel commences after midnight, March 31, 2000, and who have received from LMER a travel advance prior to midnight, March 31, 2000, LMER hereby assigns to UT-BATTELLE all of its obligations, rights, title, and interest in any and all such travel advances, and UT-BATTELLE hereby assumes and accepts all of LMER's obligations and rights for such travel advances. UT-BATTELLE does not assume any responsibility for Travel costs, if any, that exceed any imposed LMER contract cost ceiling that may be, in subsequent periods, determined to be unallowable cost.

- (ii) LMER has certain employees on assignments outside of the ORNL site. LMER will provide to UT-BATTELLE prior to the Transfer Date a current list of such employees. UT-BATTELLE agrees to continue the reimbursement provisions of these assignments as set forth in the agreements reached with the assigned employees, copies of which have been previously provided to UT-BATTELLE, until such time as UT-BATTELLE returns the employee to the ORNL site or otherwise changes the employee's assignment to the extent such expenses are allowable costs. Nothing herein shall be construed as creating any rights in third parties and no third party beneficiary rights are created or intended to be created by this section.
- (iii) LMER will transfer to UT-BATTELLE all unused airline tickets obtained for official travel under the terms of the LMER Contract.

C. Relocation Payments

- (i) In some cases, relocation payments have been made to LMER employees and SNS personnel that consist of allowable and unallowable costs. If the recipient voluntarily quits or is terminated before working for one year, the recipient is required to reimburse LMER a portion of the relocation payment. LMER hereby assigns all rights to such reimbursements of allowable costs to UT-BATTELLE, and UT-BATTELLE hereby accepts this assignment.
- (ii) In the event the departure of a recipient described in the preceding subparagraph occurs after April 1, 2000, but before working for one year, LMER shall be entitled to receive a proportionate share of any recovered relocation payment from UT-BATTELLE, said share being defined by the ratio of the unallowable portion of the relocation payment to the total relocation payment.
- (iii) Certain personnel working on the SNS project have received, but not yet acted upon, offers of relocation payments from LMER, pursuant to the LMER Contract. Portions of these offers include unallowable costs. UT-BATTELLE hereby agrees to assume all obligations associated with such offers of relocation payment, including allowable costs and unallowable costs. DOE shall use its best efforts to make all such costs allowable.

D. Credits and Rebates

LMER hereby assigns, and transfers to UT-BATTELLE, and UT-BATTELLE hereby agrees and accepts such assignment of all credits, rebates, refunds, allowances, state tax funds, and other credits, as may be due and owing LMER as the result of an allowable cost under the terms of the LMER Contract.

E. Accounts Receivable

As of midnight March 31, 2000, all accounts receivable balances, including but not limited to royalties and other non-invoiced accounts, are hereby assigned and transferred to UT-BATTELLE. UT-BATTELLE hereby accepts the assignment and agrees to manage the transferred accounts.

F. Accounts Payable and Accruals

Payment of accounts payable and accrued expense incurred but not paid by LMER through March 31, 2000, will be made by UT-BATTELLE on behalf of LMER from the Letter of Credit obtained by UT-BATTELLE from DOE. LMER shall continue to use its best efforts to accrue all such costs as of the Transfer Date.

G. Year End Closing and Contingent Liabilities

Effective as of the Transfer Date, UT-BATTELLE shall assume administrative responsibility for the financial activities associated with the closing of FY 2000, including preparation of all year-end closing documents, reporting and corresponding data transmissions to the DOE and other routinely included parties. Effective as of the Transfer Date, UT-BATTELLE will prepare all documents to accurately reflect balances and activities as recorded by LMER for the appropriate fiscal periods. The recognition of any contingent liabilities shall be appropriately reflected in the reporting done by UT-BATTELLE with the review and concurrence of LMER, and DOE will be responsible for approving any contingent responsibilities reported in applicable ORNL financial statements. The FY2000 Statement of Cost Incurred and Claimed shall be prepared by UT-BATTELLE for LMER's certification (DOE Form 2001.1).

H. Transfer of Imprest Funds

The imprest funds account will be confirmed by LMER's Internal Audit by the close of business on March 31, 2000. LMER hereby assigns and transfers to UT-BATTELLE, effective as of the Transfer Date, all imprest funds in the possession of LMER as of the Transfer Date.

I. Credit Cards

LMER, via US Bank will transfer all active US Bank Corporate VISA Cards (i.e. travel cards) to UT-BATTELLE effective April 1, 2000. Account numbers will not change. Therefore, new cards will not be issued. Transitioning employees will simply continue to utilize their recently received cards without interruption.

LMER will cancel all corporate small purchase cards with Sun Trust Bank effective March 31, 2000. New cards will be issued to transitioning current card holders by UT-BATTELLE via Sun Trust Bank in March. The new cards will have an April 1, 2000 effective date.

Telephone calling cards are provided by US West via a contractual agreement with the Department of Energy (DOE). Since the agreement is between US West and DOE, the cards are unaffected by the April 1, 2000, transition to UT-BATTELLE.

J. Endorsement of Checks and Vouchers

UT-BATTELLE may endorse any check or voucher applicable to its Letter of Credit funding received after the Transfer Date made payable to LMER including any check or voucher for refund of any taxes paid by LMER which were an allowable cost under the LMER Contract. LMER non-contract related checks will be forwarded directly to LMER within three business days of receipt.

K. General Ledger Balances

As of midnight, March 31, 2000, LMER will transfer all assets and liabilities account balances to UT-BATTELLE. To facilitate the transfer to UT-BATTELLE, DOE will recast the LMER ending account balances as UT-BATTELLE beginning balances.

L. Taxes Other Than Payroll Taxes

- (i) UT-BATTELLE shall prepare all Federal, state, and local tax returns and reports due after March 31, 2000, with the exception of any Federal and state corporate income tax report that may be required to be prepared or filed by LMER. LMER shall have the right to review any such return or report of the information if filed or reported in the name of LMER prior to the filing or reporting if such information. If, in the reasonable belief of LMER, UT-BATTELLE is

reporting data or information which is incorrect or improper, LMER may request that UT-BATTELLE correct the information prior to transmitting the same. If the Parties cannot agree upon the appropriateness of the report, they shall jointly submit the issue to the DOE Contracting Officer for resolution.

- (ii) LMER shall have access to records and their former employees as may be necessary to complete any Federal, state or local tax return not completed prior to the Transfer Date or to respond to any Federal, state or local audit.

M. Special Bank Account Agreements and Letter of Credit

Effective on the Transfer Date, (i) the LMER Letter of Credit bank accounts at SunTrust Bank under the LMER Contract will be transferred to the UT-BATTELLE Letter of Credit, and (ii) LMER hereby

assigns and transfers to UT-BATTELLE the Tech Transfer and Royalty accounts at First Tennessee Bank, and UT-BATTELLE hereby accepts such assignments in accordance with the terms of the UT-BATTELLE Contract.

Payment of allowable costs incurred by LMER prior to the Transfer Date but not invoiced or otherwise presented for payment until after the Transfer Date, will be paid by UT-BATTELLE from the Letter of Credit accounts under the UT-BATTELLE Contract.

The LMER Letter of Credit will remain functionally open on the UT-BATTELLE Letter of Credit bank accounts at SunTrust Bank for 90 days after the Transfer Date, but will be operationally inactive except for special needs such as reconciling entries. At the end of the 90 days, the LMER Letter of Credit will be closed.

N. Audit Activities and Unallowable Costs

UT-BATTELLE will conduct an allowable cost audit for the period October 1, 1999 through March 31, 2000 during the last quarter of FY 2000. This audit will include payroll adjustments and final payments to non-transitioning LMER employees made after March 31, 2000. UT-BATTELLE and DOE will submit draft internal and external audit reports to LMER for review and comment prior to same being finalized, including audits in progress on March 31, 2000 or audits that includes periods prior to April 1, 2000. LMER will be responsible for all obligations and negotiations with DOE associated with unallowable costs identified by internal and external audits, reviews, and assessments for costs incurred under the LMER Contract or under the UT-BATTELLE Contract for payments made on LMER's behalf under the terms of this Agreement. If the parties cannot agree upon the appropriateness of the costs, they shall jointly submit the issue to the DOE Contracting Officer for resolution.

O. Closing Process

With respect to this Section 8, the Parties recognize that the complexity of the transfer may give rise to unforeseen conditions and that exactness in the actions is not fully determinable. The traditional use of estimates on recording accruals may potentially result in future adjustments. The Parties agree to use their best efforts to address these future actions and to achieve equitable resolution.

9. MANAGEMENT OF LEGAL ISSUES

9.1 Management of Litigation and Claims

A. Pending Litigation and Claims

After the transfer date, LMER or (with approval by the DOE Contracting Officer) its affiliates (e.g., LMES), shall continue to prosecute and/or defend all litigation which is pending as of March 31, 2000, including claims of any sort filed in any court or administrative tribunal with authority to render a judgment or decision binding the contractor (e.g., 10 CFR 708 claims and DOL Whistleblower claims), whether initiated by or against LMER. Furthermore, UT-BATTELLE shall not succeed to the interest, nor assume the defense or representation of LMER or any of its subcontractors, in any such litigation. All such litigation shall be managed in accordance with the Litigation and Claims provision of the LMER prime contract, as well as applicable DOE Litigation Management procedures and policies, and, to the extent the litigation costs thereof are allowable, shall be funded by DOE under the terms of a separate memorandum of agreement between LMES, DOE, and UT-BATTELLE. Litigation in which LMER is a party as of the date on which this agreement is executed is listed in Attachment 1 hereto; however, the responsibilities delineated in this article include any litigation which may be initiated after this agreement is executed, but before the transfer date.

B. Future Litigation and Claims

For litigation initiated after the Transfer Date, and which concerns events, transactions, and/or other occurrences allegedly related to, or stemming from, activities LMER performed from January 1, 1996, through March 31, 2000, pursuant to its contract with DOE, LMER or (with the concurrence of the DOE Contracting Officer) its affiliates shall prosecute and/or defend all such litigation; UT-BATTELLE shall not succeed to the interest, nor assume the defense or representation of, LMER in any such litigation. All such litigation shall be managed in accordance with the Litigation and Claims provision of the LMER prime contract, as well as applicable DOE Litigation Management procedures and policies, and, to the extent the litigation costs thereof are allowable, shall be funded by DOE under the terms of a separate memorandum of agreement between LMES, DOE, and UT-BATTELLE.

C. Labor Relations Matters

DOE hereby directs LMER, and LMER hereby transfers and assigns to UT-BATTELLE, effective as of the Transfer Date, all right, title, and interest in all matters arising under the collective bargaining agreements to which LMER is signatory, including all claims, grievances and arbitrations, the costs of which are allowable under the LMER Contract, and UT-BATTELLE hereby accepts such assignment in accordance with the terms of the UT-BATTELLE Contract.

D. Employee Concerns, Diversity and Ethics Offices

DOE hereby directs LMER, and LMER hereby transfers and assigns to UT-BATTELLE, effective as of the Transfer Date, all right, title, and interest in all matters arising under its Employee Concerns, Diversity, and Ethics Offices, including all claims, the costs of which are allowable under the LMER Contract, and UT-BATTELLE hereby accepts such assignment in accordance with the terms of the UT-BATTELLE Contract. In accordance with Section 5 of this Agreement, the files, records, and databases maintained by LMER or its affiliates of Employee Concerns, Workforce Diversity, and the Ethics Offices shall be transferred to UT-BATTELLE after the removal of all files, records, or entries that do not pertain to operations or activities at ORNL.

E. Discrimination Charges filed with External Agencies

With respect to charges of discrimination filed with an external agency or any other administrative proceeding in which the administrative tribunal does not have authority to issue binding

determinations, UT-BATTELLE shall assume the right, title and interest in the defense and prosecution of such claims. UT-BATTELLE recognizes that LMER retains an interest in the outcome of said administrative proceeding because of the possibility of litigation of said claim, and, therefore, UT-BATTELLE agrees to allow LMER or its affiliate LMES to review the charge and any response thereto and to provide comments thereon. In the event that UT-BATTELLE fails to provide said opportunity for review and comment, and it becomes apparent that costs of defense or settlement may be deemed unallowable, LMER or UT-BATTELLE may submit the matter to the DOE Contracting Officer for determination as to which Party shall be responsible for payment of unallowable costs, if any.

9.2 Legal Defense Cooperation

Each Party shall promptly notify the cognizant legal offices of any claims or lawsuits which may affect the common interests of the Parties. In a manner so as not to interfere with performance of the work under their respective contracts with DOE, and to the extent that cooperation would not intrude into, or significantly impede, the interests unique to each respective Party, each Party shall cooperate with the other Party in matters of legal defense, including the provision of transitioned employees as witnesses. To the extent allowed by applicable law, each Party will provide direct access to any record under its control related to any matter of a legal nature as soon as possible after a request, and shall provide direct access to its employees for interviews, depositions, hearings, etc., during regular business hours, upon reasonable notice and request.

When it is in the mutual interest of the Parties, UT-BATTELLE and LMER shall cooperate in obtaining resolution to claims that arose under the LMER contract, but which involve current employees of UT-BATTELLE.

As pertains this sub-section, "Party" is defined as either LMER or UT-BATTELLE, as appropriate; the term "Parties" refers to LMER and UT-BATTELLE.

9.3 Garnishments, Liens and Other Court Orders

For those LMER employees who transfer employment to UT-BATTELLE on the Transfer Date and who have their salaries subject to a garnishment or other court order, DOE hereby directs LMER to notify the court issuing such order that it no longer employs such employees and will provide to the court the name and address of UT-BATTELLE as the employer of record for such employees.

10. ENVIRONMENTAL PERMITS AND APPLICATIONS

The parties agree to take all appropriate actions to accomplish a transfer to UT-BATTELLE, effective as of the Transfer Date, of existing permits and permit applications, on which LMER is identified as a permittee, co-operator, signatory, or applicant. Certain pending permit applications, and consistent with both (i) agreements between DOE and the regulatory agency and (ii) the UT-BATTELLE Contract, will be revised to add UT-BATTELLE as an applicant during the course of routine revisions prior to permit issuance.

11. EMPLOYEE BENEFIT PLANS

A. Qualified Defined Benefit and Defined Contribution Plans

(i) LMER is a participating employer under the following qualified defined benefit and defined contribution plans ("**Qualified Plans**") currently maintained by Lockheed Martin Energy Systems, Inc. ("LMES") for the benefit of employees of LMES and LMER:

- (a) Retirement Program Plan for Employees of Lockheed Martin Energy Systems, Inc., PIN:001; and
- (b) Lockheed Martin Energy Systems, Inc. Savings Program, PIN:009.

- (ii) Effective as of the Transfer Date, LMER shall cease to be a participating employer under the Qualified Plans.
- (iii) Effective as of the Transfer Date, the Qualified Plans shall be converted to multiple employer plans, and as successor employer to LMER, UT-BATTELLE shall adopt the Plans for the benefit of its employees and former employees of LMER and shall assume the assets and liabilities thereunder attributable to such employees and former employees. The Parties acknowledge and agree that by becoming the Plan Participating Employer under the Qualified Plans, UT-BATTELLE's responsibility for contributions required under the Qualified Plans and for benefits payable under the Qualified Plans extends not only to individuals who are employed by or retire from service with UT-BATTELLE on or after the Transfer Date, but also to any participant or beneficiary who has a vested right to receive an accrued benefit under one or both of the Qualified Plans regardless of his or her separation date.
- (iv) Effective as of the Transfer Date, UT-BATTELLE shall enter into an Administrative Services Agreement with LMES providing for the administration of the Qualified Plans by LMES. UT-BATTELLE shall take all necessary corporate action to become successor employer under the Qualified Plans as converted to multiple employer plans by LMES.
- (v) LMER shall cause LMES to amend each of the Qualified Plans to reflect their conversion to multiple employer plan status and to reflect that UT-BATTELLE will be a participating employer, and as otherwise necessary to give effect to the foregoing paragraphs of this Section 11.A, with all such amendments to be effective on the Transfer Date.

B. Welfare Plans

- (i) LMER is a participating employer in the following welfare benefit plans ("**Welfare Plans**") currently maintained by LMES for the benefit of employees of LMES and LMER:
 - (a) Health Benefits Program for Salaried and Hourly Employees, including CIGNA Point of Service, Indemnity Plan, Prescription Drug Program, and Vision Care Plan PIN:506;
 - (b) Dental Expense Assistance Plan, PIN: 503;
 - (c) Employee Assistance Program, PIN: 512;
 - (d) Health Care and Dependent Care Flexible Spending Account, PIN: 516;
 - (e) Business Travel Accident Insurance Plan, PIN: 504;
 - (f) Special Accident Insurance Plan; PIN: 505;
 - (g) Short-Term Disability Insurance Plan, PIN: no PIN;
 - (h) Group Long-Term Disability Insurance Plan, PIN: 510;
 - (i) Severance Pay Plan, PIN: 517;
 - (j) Group Life Insurance Plan, PIN: 502;
 - (k) Educational Assistance Program, PIN: 513;
 - (l) Prescription Drug Plan, PIN: 515;
 - (m) Pre-Tax Medical Premium Contribution Plan, PIN 511.
- (ii) Effective as of the Transfer Date, LMER shall cease to be a participating employer under the Welfare Plans and UT-BATTELLE shall become successor employer to LMER thereunder for the benefit of its employees and former employees of LMER.
- (iii) With the exception of the Prescription Drug Plan, Long-Term Disability Plan, Flexible Spending Accounts and Cafeteria Plan, Short-Term Disability Plan and Severance Pay Plan, the Welfare Plans shall be converted to multiple employer plans. UT-BATTELLE and LMES shall enter into a multiple employer welfare arrangement with respect to those Welfare Plans which are multiple employer plans. UT-BATTELLE and LMES shall enter into an Administrative Services Agreement pursuant to which LMES shall agree to provide all necessary services for the administration of the Welfare Plans, including both the multiple employer plans and the plans adopted by UT-BATTELLE as single employer plans. No

employee of LMER who becomes employed by UT-BATTELLE as of the Transfer Date (including those on leave and retirees) shall suffer any interruption in benefits as a result of the change in contractor. The Parties hereby acknowledge and agree that by becoming a successor Plan Sponsor of the Welfare Plans, UT-BATTELLE's responsibility for contributions required under the Welfare Plans and for benefits payable under the Welfare Plans extends not only to individuals who are employed by UT-BATTELLE on the Transfer Date but also to any former employee of LMER and his or her dependents who are eligible for benefits under any of the Welfare Plans as of the Transfer Date regardless of his or her separation date from LMER.

- (iv) LMER shall or shall cause LMES to notify each third party administrator, insurer, recordkeeper, and any other fiduciary or service provider to any of the Welfare Plans of the change in sponsorship and shall take any and all action necessary to assign all rights under existing contracts as required with third party administrators, insurers, recordkeepers and any other fiduciary or service provider to UT-BATTELLE, effective as of the Transfer Date.
- (v) LMER shall cause LMES to amend as required each of the Welfare Plans to be administered as a multiple employer plan and reflect the adoption of such multiple employer plans by UT-BATTELLE, and as otherwise necessary to give effect to the foregoing paragraphs of this Section 11.B., with such amendments to be effective on the Transfer Date.
- (vi) Any claims for benefits under the Welfare Plans that are incurred but unreported prior to the Transfer Date or are incurred, reported but unpaid prior to the Transfer Date shall be processed under standards generally applicable to participants under the Welfare Plans prior to the Transfer Date and the terms of the UT-BATTELLE Contract.
- (vii) UT-BATTELLE shall assume all obligations under flexible spending accounts and for severance pay for employees and former employees of LMER on the Transfer Date. LMER shall transfer to UT-BATTELLE any funds credited to the spending accounts of participants in the flexible spending accounts. Claims for benefits under spending accounts incurred but unreported or reported but unpaid prior to the Transfer Date shall be processed by UT-BATTELLE (or its third party administrator) under standards generally applicable to participants under the spending accounts prior to the Transfer Date and the terms of the UT-BATTELLE Contract.

C. Reporting and Disclosure

LMER and LMES shall be responsible for filing Form 5500 Annual Reports with the Internal Revenue Service and the Department of Labor for the Qualified Plans and Welfare Plans for the 1999 Plan Year. UT-BATTELLE shall be responsible for filing all Form 5500 Annual Reports for the 2000 Plan Year to the extent that such responsibility is not assumed by LMES pursuant to the multiple employer welfare arrangement and the administrative services agreement. LMER shall cause LMES to provide such information and assistance to UT-BATTELLE as shall be required in connection with the preparation and filing of Forms 5500 for the 2000 Plan Year.

D. Employee Benefit Plan Representations

Except as otherwise disclosed, LMER represents and warrants to UT-BATTELLE that the following statements contained in this Section 11.D are true, correct, and complete as of the Transfer Date.

- (i) The Qualified Plans are each qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended, and each is in form and operation in compliance with the statutory and regulatory requirements applicable to such plans.

- (ii) The Welfare Plans are each in form and substance in compliance with the statutory and regulatory requirements applicable to such plans.
- (iii) The Qualified Plans and the Welfare Plans have not engaged in any prohibited transactions for which an exemption does not exist and no breach of fiduciary responsibility has occurred in connection with any of the Qualified Plans or the Welfare Plans.
- (iv) Except as disclosed to UT-BATTELLE by LMER in writing, there are no pending, or the knowledge of LMER, threatened claims against any of the Qualified Plans or the Welfare Plans or any of their fiduciaries or service providers other than routine claims for benefit payments.
- (v) The Qualified Plan listed in Section 11.A.(i).(a) above is in compliance with the minimum funding requirements of ERISA and the Internal Revenue Service.
- (vi) LMER has made available to UT-BATTELLE true and correct copies of each of the plan documents of the Qualified Plans and the Welfare Plans, including any and all amendments thereto, the current Summary Plan Description for each such plan and the most recent Determination Letter issued by the Internal Revenue Service for each of the Qualified Plans.
- (vii) LMER has made available to UT-BATTELLE the most recent Form 5500 and applicable schedules and audited financial statements for each of the Qualified Plans listed in Section 11.A.(i).(a), and the Welfare Plans in Section 11B. LMER has also made available the most recent actuarial valuation.

12. TRADEMARKS

- A. LMER hereby grants to UT-BATTELLE, for the sole purpose of performing their responsibilities at the ORNL, a non-exclusive, non-transferable, royalty-free license to use in the United States and, for those activities of ORNL outside the United States, to use world-wide, for a period consistent with Section 12.B. below, any trademarks, service marks, trade names, advertising, signs, slogans, symbols and other trade indicia, including, but not limited to, "Lockheed Martin" "Lockheed Martin Energy Research Corporation", and the Lockheed Martin symbol (hereinafter collectively referred to as "Marks") being used as of the Transfer Date by LMER in connection with the business activities conducted by LMER under the LMER Contract at the ORNL. UT-BATTELLE shall maintain and protect said Marks as LMER proprietary data in accordance with the terms and conditions of the UT-BATTELLE Contract. The quality of goods and services provided under the Marks shall meet or exceed the current quality of those goods or services provided by LMER under the Marks. UT-BATTELLE agrees that it will not claim right, title, or interest in such Marks.
- B. Notwithstanding the foregoing Section 12.A., UT-BATTELLE shall use due diligence to remove, within a reasonable time, all Marks from any of the premises or properties, real, personal, or mixed, involved with the UT-BATTELLE Contract except those Marks on records that are transferred to UT-BATTELLE pursuant to the provisions of Section 5 of this Agreement. LMER agrees that all items so removed shall be destroyed. It is understood and agreed that LMER policy and procedure manuals, instructions and work rules may be used until reprinted, and UT-BATTELLE may continue to use the internal forms containing such Marks until the supply is exhausted. It is further understood and agreed that Documents and manuals transferred to UT-BATTELLE under Section 5 of this Agreement that contain Marks may be used by UT-BATTELLE for the life of the UT-BATTELLE Contract and consistent with such contract's terms.

13. PROPERTY TRANSFERS

DOE hereby directs LMER, and, effective as of the Transfer Date, LMER shall transfer government-owned real and personal property for which LMER is accountable by the terms of the LMER contract to UT-BATTELLE, and UT-BATTELLE hereby accepts such transfer as is, where is, and in accordance with the terms and conditions of the UT-BATTELLE Contract.

14. DISPOSITION OF MAIL

LMER hereby authorizes UT-BATTELLE to open all mail addressed to LMER. All mail which contains legal notices, correspondence from courts and/or counsel, services of process, pleadings, etc., shall be transferred to LMER the same day of receipt. Other mail not retained by UT-BATTELLE for the performance of the UT-BATTELLE Contract shall be transferred to LMER within three business days of receipt. UT-BATTELLE shall use reasonable efforts not to open mail that is unnecessary for the performance of the UT-BATTELLE Contract, and that is expressly marked externally "To Be Opened By Addressee Only", "Confidential", or similar markings (e.g., mail from one corporate affiliate to LMER), shall be forwarded by UT-BATTELLE as follows:

General Mail

LMER c/o LMES
Attn: Mr. W. Ron Ragland
Lockheed Martin Energy Systems, Inc.
Post Office Box 2009
Building 9115, MS 8223
Bear Creek and Scarboro Road (for Fed X)
Oak Ridge, TN 37831-8223
Fax: 865-576-3992

Legal Notices to Office of General Counsel

Office of General Counsel
Lockheed Martin Energy Systems, Inc.
Post Office Box 2009
Building 9704-2, MS 8014
Oak Ridge, TN 37831-8014
Fax: 865-576-5100

15. ENTIRE AGREEMENT

A. Document Constituting Agreement

This Agreement consists of this contract document and the following Attachments:

Attachment 1

Litigation and Claims

B. Complete Agreement

This Agreement sets forth the full and complete understanding of the Parties as of the Transfer Date, and it supercedes any and all agreements and representations made or dated prior thereto relating to the subject matter hereof. In the event of any conflict between this agreement and any of the Attachments hereto, the terms and provisions of this Agreement shall control. In the event of any conflict among the Attachments, the Attachment of the latest date shall control. The Parties recognize that additional matters may be identified which require mutual agreement. Such matters shall be reduced to writing and made a part of this Agreement by an appropriate amendment signed by the Parties hereto.

16. NO THIRD PARTY RIGHTS

Nothing contained in this Agreement shall be construed as creating any rights in third parties, including without limitation, any employee or former employee of LMER, and no third party beneficiary rights are created or intended to be created by this Agreement.

17. **SIGNATURES**

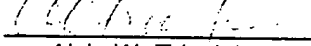
The individuals whose signatures appear below hereby certify that they are authorized to sign on behalf of their respective Parties to this Agreement.

This Agreement is effective as of the date that it is executed by all of the Parties; provided however, that no assignment or transfer of any matter covered by this Agreement shall occur until the Transfer Date.

So AGREED:


Lockheed Martin Energy Research Corporation

Date: _____

BY: 
Alvin W. Trivelpiece
Title: President

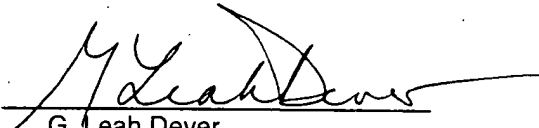
UT-BATTELLE, LLC

Date: 3/31/00

BY: 
William J. Madia
Title: Chief Executive Officer

UNITED STATES OF AMERICA
BY: U.S. DEPARTMENT OF ENERGY

Date: 3/31/00

BY: 
G. Leah Dever
Title: Manager, Oak Ridge Operations

Attachment 1 – Litigation and Claims

Vickie Allen v. LMES
Stephanie Ashburn v. LMERC
David Bowling v. LMES
Pamela Bryant v. LMERC
John Clark v. LMES
James Arthur Davis v. UCC et al
Elmer "Bud" Foland v. David Witherspoon, et al
Mary Anne Hacker v. LMES
Jennifer Jones Hall v. LMES, et al
Eddie R. Harper v. LMES
Marion Henry v. LMES
Hoskins v. MMES, et al
Willie M. Johnson v. LMES
Nancy E. Jones v. LMES
Fred W. Kincaid v. Life Insurance Company of North America, et al
LMES v. Ruth Johnson, Commissioner of Revenue for the State of Tennessee
Margaret Y. Mack v. LMES
Ronald D. Morrision v. LMES
Billie W. Noe v. LMES
Michael M. Osborne v. LMES
Jimmy L. Ramsey v. LMES
Mathew Rooks v. LMERC
William Scott v. LMES
Hanna B. Shapria v. LMERC, et al
David C. Sharp v. LMERC
Brenda Washington Shelton v. ORNL, et al
Margaret G. Smallen, et al v. LMES, et al
Larry P. Smarsh v. LMES
Alizabeth Aramowicz Smith v. LMERC
Gary Spoon v. LMES
Gary R. Stepp v. LMES
Robin N. Stooksbury v. LMES, et al
Oscar L. Tilley v. LMERC
C. D. Varnadore v. MMES, et al (Varnadore I)
B. D. Varnadore v. MMES (Varandore II)
C. D. Varnadore v. MMES (Varandore III)
Shirley Walker, et vir v. David Witherspoon, et al
Thomas E. Webster v. LMES